

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2883  
ANSWERED ON:29.08.2012  
QUESTION PAYMENT TO MNREGA LABOURERS  
Bairwa Shri Khiladi Lal;Bhagora Shri Tarachand

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Government proposes to provide interest rate and interest subvention in the case of crop loans so that medium-term loans to the farmers could be provided at par with crop loans and if so, the details thereof;
- (b) whether the Government proposes to provide an amount equivalent to two per cent of the payments made to MNREGA workers; and
- (c) if so, the details thereof?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a): The Interest Subvention Scheme is being implemented by the Government of India since 2006-07 to make short-term crop loans upto Rs. 3 lakh for a period of one year available to farmers at the interest rate of 7 percent per annum. The Government of India has since 2009-10 been providing additional interest subvention to prompt payee farmers. The additional subvention was 1% in 2009-10, 2% in 2010-11 and 3% in 2011-12. The Government has in the Budget speech of 2012-13 announced continuation of the scheme in 2012-13.

(b) & (c): According to the guidelines issued by Department of Rural Development, the service charges towards remittance of wage are to be absorbed within the overall ceiling for administrative expenses under Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA).